

Frequently Asked Questions (FAQs)

on Bank Indonesia Circular Letter Number 10/29/DPM dated September 2, 2008, concerning Procedures of Application, Reporting, and Supervision on Sub-Registry

Q. Which institution may be approved by Bank Indonesia to become a Sub-Registry?

A. The institution which may be approved to become a Sub-Registry is Bank, Depository and Settlement Institution (LPP), and securities company conducting custodial activities which meets certain requirements stipulated in Bank Indonesia Circular Letter.

Q. What are the requirements of capital which have to be fulfilled by a prospective Sub-Registry?

A. For Bank, it has to fulfill KPMM under applicable Bank Indonesia provisions and for LPP and securities company, they have to have paid up capital amounting to no less than Rp25,000,000,000.00 (twenty five billion Rupiah).

Q. How is the procedure of application as a Sub-Registry?

A. Any Custodian which has met requirements as a Sub-Registry shall apply by letter which is enclosed with a complete set of supporting documents to Bank Indonesia. If approved, no later than 3 (three) months after the approval the Custodian must have become a BI-SSSS Participant.

Q. How if after approved as a Sub-Registry the Custodian does not become a BI-SSSS Participant?

A. If within 3 (three) months after the approval the Custodian has not become a BI-SSSS participant, the approval as a Sub-Registry shall be abrogated and to become a Sub-Registry the Custodian has to reapply.

Q. What is the obligation which must be fulfilled by a Sub-Registry?

A. In the implementation of Securities Administration any Sub-Registry is required to implement Sub-Registry's tasks, to submit reports as requested by Bank Indonesia, and to maintain the fulfillment of requirements as a Sub-Registry.

Q. May a Sub-Registry maintain Securities account on its own behalf, the Sub-Registry Management, and the Sub-Registry Administrator?

A. No. Any Sub-Registry is prohibited to maintain Securities account for and on its own behalf, the Sub-Registry Management, and the Sub-Registry Administrator.

Q. What ...

Q. What is the minimum amount of Securities ownership registration in monthly average to be maintained by a Sub-Registry?

- A. The minimum amount of Securities ownership registration shall be maintained at an average of Rp500,000,000,000.00 (five hundred billion rupiah) per month in the last 12 months.

Q. What is the scope of supervision by Bank Indonesia on Sub-Registry?

- A. Bank Indonesia conducts either direct or indirect supervision on Sub-Registry, including implementation of tasks, obligation of reporting, and obligation of the maintenance of requirement fulfillment.

Q. What must a Sub-Registry do if it is not able to meet the requirement to maintain Securities ownership registration at the minimum amount of Rp500,000,000,000.00 (five hundred billion rupiah)?

- A. The Sub-Registry is required to make an action plan and implement the action plan in a period of 3 months.

Q. Is there any consequence for a Sub-Registry which fails to fulfill obligation stipulated in this Circular Letter?

- A. In the event of any failure in complying with this Circular Letter, any Sub-Registry is liable to a sanction in the form of written warning or abrogation of approval as a Sub-Registry.

DPM